

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

<p>EQUAL EMPLOYMENT OPPORTUNITY COMMISSION,</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">v.</p> <p>COVENANT MEDICAL CENTER, INC., Doing Business As COVENANT HEALTHCARE,</p> <p style="text-align: center;">Defendant.</p>	<p>Civil Action No.: 2:20-cv-10662- MAG-RSW</p>
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CONSENT DECREE

The United States Equal Employment Opportunity Commission (“Commission” or “EEOC”) filed this action against Covenant Medical Center, Inc. d/b/a Covenant HealthCare (“Defendant” or “Covenant”) to enforce the Equal Pay Act of 1963 and Title VII of the Civil Rights Act of 1964. The EEOC alleges that Covenant violated the EPA and Title VII by paying Sue Davis, its employee, less money than it pays two male co-workers who perform the same work as Davis.

The Commission and Covenant agree that this action should be resolved by entry of this Consent Decree. This Consent Decree shall be a final and binding

settlement in full disposition of the claims arising of the Complaint filed by the Commission on behalf of Davis. The Court therefore finds, based on the pleadings and the record as a whole, that: (1) the Court has jurisdiction over the parties and the subject matter of this action; (2) entry of this Consent Decree will advance the purposes and provisions of the EPA and Title VII; and (3) this Consent Decree resolves all disputed matters and claims in controversy in this lawsuit as provided in the paragraphs below.

Therefore, it is hereby ORDERED, ADJUDGED AND DECREED:

NON-DISCRIMINATION AND RETALIATION

1. Covenant and its authorized officers, agents, employees, successors and assignees shall not engage in the practice of compensation discrimination based on sex. Covenant shall not retaliate in any way against any person because of opposition to any practice declared unlawful under the Equal Pay Act or Title VII related to compensation based on sex, or because of the filing of a charge, giving testimony, or assisting or participating in any manner in any such investigation, proceeding or hearing.

MONETARY RELIEF

2. Within thirty (30) days after entry of the Decree by the Court, Defendant shall pay Sue Davis the total sum off \$104,707.00. Of this monetary payment, \$52,353.50 shall be considered back pay, and \$52,353.50 shall be considered liquidated

damages. Defendant shall issue a W-2 for the amount designated as back pay, less appropriate taxes and withholdings, and a 1099-MISC for the remaining amount, in the ordinary course of business. Defendant shall not deduct the amount of the employer's share of any costs, taxes, or social security payments required by law to be paid by the Defendant. Payment shall be mailed to Sue Davis at the address provided by counsel for the Commission. A copy of each check shall be mailed to Kenneth L. Bird, c/o Karen L. Brooks, Trial Attorney, EEOC, 477 Michigan Avenue, Room 865, Detroit, Michigan 48226 and shall also be sent via email to monitoring-eeoc-into@eeoc.gov.

3. Within 14 (14) days after entry of the Consent Decree, Covenant shall increase Sue Davis's pay rate to \$40.54 per hour.

**REVIEW AND REVISION OF
EMPLOYMENT PRACTICES AND POLICIES**

4. Within six (6) months of the entry of this Consent Decree, Covenant shall review its policies and practices concerning compensation in connection with promotions, demotions, new hires and lateral transfers and revise them prospectively where necessary to assure the language and application of such policies promotes fair and equal rates of compensation to men and women performing the same job which requires equal skill, effort and responsibility and performed under similar working conditions, in compliance with the EPA, Title VII and this Decree.

5. Covenant shall send the Commission a copy of its revised compensation policies for review prior to implementing the policies. The revised policies shall be mailed to the United States Equal Employment Opportunity Commission, Kenneth L. Bird, Regional Attorney, c/o Karen L. Brooks, Trial Attorney, 477 Michigan Avenue, Rm. 865, Detroit, Michigan 48226 and e-mailed to monitoring-eeoc-into@eeoc.gov. The Commission will provide feedback to Covenant within fourteen (14) days following receipt of the revised compensation policies.

TRAINING

6. Within thirty (30) days after Covenant implements any pay policy or practice revisions as contemplated in paragraph 4 above, and annually thereafter during the term of the Decree, Covenant shall provide training to members of Covenant's total rewards committee, Covenant's human resources department and Covenant's officers and directors on compensation discrimination. The subject matter of the training shall include the prohibitions of Title VII and the EPA against unequal payment of wages based on sex. The training shall also cover the requirement that any disparities in pay be based on factors other than sex, as provided under federal law.

7. Members of Covenant's total rewards committee, Covenant's human resources department and Covenant's officers and directors are required to attend

these training sessions. Covenant is required to keep a record of all employees who attended the training sessions.

8. Within thirty (30) days after the conclusion of the training, Covenant shall provide the Commission with written certification that such training was provided and the list of attendees. The training materials, certification and attendance list shall be mailed to the United States Equal Employment Opportunity Commission, Kenneth L. Bird, Regional Attorney, c/o Karen L. Brooks, Trial Attorney, 477 Michigan Avenue, Rm. 865, Detroit, Michigan 48226 and e-mailed to monitoring-eeoc-into@eeoc.gov.

NOTICE

9. Covenant shall post the Notice (attached as Exhibit A) in Covenant's facilities where similar employment-related non-discrimination notices are posted and electronically post the Notice on Covenant's human resources intranet site. The Notice shall remain posted throughout the term of the Decree. Should Covenant have knowledge that the Notice has become defaced, marred or otherwise made unreadable, Covenant will post a readable replacement copy in the same manner as soon as practicable.

10. Within fourteen (14) days after posting the Notice as set forth in paragraph 9 above, Covenant will provide the Commission with written certification that Covenant posted the Notice in accordance with paragraph 9 above. The certification shall be mailed to the United States Equal Employment Opportunity

Commission, Kenneth L. Bird, Regional Attorney, c/o Karen L. Brooks, Trial Attorney, 477 Michigan Avenue, Rm. 865, Detroit, Michigan 48226 and e-mailed to monitoring-eeoc-into@eeoc.gov.

DURATION

11. Absent extension by the Court, this Decree shall expire two (2) years after the date on which it was entered by the Court without further action by the parties.

DISPUTE RESOLUTION AND COMPLIANCE

12. This Court shall retain jurisdiction over this action for the duration of this Decree, and shall have all equitable powers, including injunctive relief, to enforce this Decree.

13. Upon motion of the EEOC, the Court may schedule a hearing for the purpose of reviewing compliance with this Decree. The parties shall engage in a good faith effort to resolve any dispute as to compliance prior to seeking review by the Court, and the EEOC shall be required to give Covenant fourteen (14) days' notice before moving for such review. The EEOC may conduct written discovery under the Federal Rules of Civil Procedure for purposes of determining compliance with this Decree.

14. Should the Court determine that Defendant has not complied with any part of this Decree, the Court may award the Commission a penalty of up to \$50 a day until Defendant has complied. The Court may enter an order requiring the

payment of such daily penalty. The Court may further order appropriate relief including extension of the Decree for the time necessary to remedy non-compliance and/or attorney's fees and costs.

MISCELLANEOUS

15. Except as otherwise provided in paragraph 16, each party shall bear its costs and attorney's fees incurred in this action.

16. If any provision of this Decree is found to be unenforceable by the Court, only the specific provision in question shall be affected and the other provisions shall remain in full force and effect.

17. This Decree constitutes the entire agreement and commitments of the parties. Only the Court may modify this Decree.

18. The terms of this Consent Decree are and shall be binding upon Defendant's present and future owners, officers, directors, employees, creditors, agents, trustees, administrators, successors, representatives and assignees.

19. Any modifications to this Consent Decree must be approved by the Court.

20. The Court shall retain jurisdiction of this case through the term of the Consent Decree.

IT IS SO ORDERED:

Dated: September 2, 2020
Detroit, Michigan

s/Mark A. Goldsmith
MARK A. GOLDSMITH
United States District Judge

**EQUAL EMPLOYMENT
CENTER, INC
OPPORTUNITY COMMISSION
HEALTHCARE**

/s/ Karen L. Brooks
KAREN L. BROOKS (IL 6285816)
477 Michigan Avenue, Rm. 865
Detroit, Michigan 48226
(313) 226-7597
Karen.Brooks@eeoc.gov

**COVENANT MEDICAL
D/B/A COVENANT**

/s/ Christina K. McDonald
CHRISTINA K. MCDONALD (P73517)
Dickinson Wright PLLC
200 Ottawa NW, Suite 1000
Grand Rapids, Michigan 49503
(616)-336-1039
cmcdonald@dickinsonwright.com

[EXHIBIT A – To Be Removed on Posting]

**EMPLOYEE
NOTICE**

Posted pursuant to EEOC v. Covenant Healthcare, Civil Action No. 2:20-cv-10622, United States District Court for the Eastern District of Michigan.

This Notice is being posted to inform you of your rights under the Equal Pay Act of 1963 and Title VII of the Civil Rights Act of 1964. Both federal laws prohibit employers from paying male and female employees unequally because of their gender. Employers cannot pay employees at a lower rate than the rate paid to the opposite sex for equal work in jobs which require equal skill effort and responsibility and which are performed in the same establishment under similar working conditions.

Covenant HealthCare supports and complies with such federal laws in all respects.

Covenant will not retaliate or take any action against employees because they have filed a charge of discrimination with the EEOC, reported an alleged violation under the law to the EEOC, or have given testimony, assisted, or participated in any investigation, proceeding, or hearing conducted by the EEOC.

Any person who believes that he or she may be a victim of illegal employment discrimination may contact the EEOC directly at 1-800-669-4000.